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Industrial Development Board

Twenty-fourth session
Vienna, 19-22 June 2001

Programme and Budget Committee

Seventeenth session
Vienna, 2-4 May 2001
Item 12 of the provisional agenda

APPOINTMENT OF EXTERNAL AUDITOR

Candidatures for the appointment of an External Auditor

Report by the Director-General

1. On the basis of recommendations by the Industrial Development Board, the General Conference, in its decision GC.8/Dec.15, decided to appoint the President of the Federal Court of Audit of Germany as the External Auditor for UNIDO from 1 July 2000 to 30 June 2002.

2. General Conference decision GC.6/Dec.18 requests the Director-General to invite proposals from Member States for the appointment of an External Auditor and to submit such proposals to the Programme and Budget Committee for consideration. In compliance with that decision, a note verbale dated 11 January 2001 was sent to Member States in which they were invited to inform the Director-General by 26 February 2001 of their interest in providing the services of an External Auditor, with a view to submitting such proposals to the Programme and Budget Committee at its seventeenth session, to be held from 2 to 4 May 2001.

3. As of 26 February 2001, the following candidatures had been received for the appointment of an External Auditor:

Mr. V. K. Shunglu	Comptroller and Auditor General, India
Mr. Abdessadeq El Mezouari el Glaoui	President of the Royal Court of Audit of Morocco
Mr. Guillermo N. Carague	Chairman of the Philippine Commission on Audit
Mr. Shauket Fakie	Auditor-General of the Republic of South Africa
Ms. Inga-Britt Ahlenius	Auditor General of Sweden
Mr. John Bourn	Comptroller and Auditor General of the United Kingdom of Great Britain and Northern Ireland

For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

4. Owing to the diverse information received from those Member States nominating candidates, and to the resultant difficulty of comparison, the Secretariat has prepared a standardized form for completion by all candidates. The compilation of replies received will be brought to the attention of the Committee for its consideration, thus facilitating the decision-making process.

ACTION REQUIRED OF THE COMMITTEE

5. The Committee may wish to propose to the Industrial Development Board that it recommend to the General Conference the appointment of one of the candidates as External Auditor for UNIDO for a period of two years beginning on 1 July 2002. The appointment would fall under the terms of reference specified in article XI (and annex) of the Financial Regulations of UNIDO. The travel and costs related to the work of the External Auditor are to be borne by the UNIDO regular budget.

Annex

COMMUNICATIONS CONCERNING CANDIDATURES FOR THE APPOINTMENT OF AN EXTERNAL AUDITOR BY 26 FEBRUARY 2001

A. Communication concerning the candidature of Mr. V. K. Shunglu, Comptroller and Auditor General of India

Permanent Mission of India to the International Organizations in Vienna
Kärntnerring 2
A-1015 Vienna
Tel.: 505 86 66
Telex: 11 3721 indem-a
Fax: 505 92 19

12 February 2001

The Permanent Mission of India to UNIDO presents its compliments to UNIDO, and, with reference to its note verbale No. CU 2000/279, dated 11 January 2001, has the honour to inform UNIDO that the Government of India has nominated Mr. V. K. Shunglu, Comptroller and Auditor General of India, as its candidate for the post of External Auditor of UNIDO for a period of two years beginning 1 July 2002. The following documents are enclosed:

- CV of Mr. V. K. Shunglu, Comptroller & Auditor General of India
- Profiles of Select Audit Personnel*
- Credentials of the comptroller & Auditor General of India*
- Audit approach, procedures and standards*

The Permanent Mission of India avails itself of this opportunity to renew to UNIDO the assurances of its highest consideration.

[Initialled]
[Stamp of the Seal of the Permanent Mission of India to UNIDO, Vienna]

*Available with the Secretariat upon request.

The United Nations Industrial
Development Organization
Vienna International Centre
Vienna

Introduction

We have the honour of presenting to the United Nations Industrial Development Organization our formal proposal for the External Auditor of the Organization. In this proposal we are providing the information requested for by the United Nations Industrial Development Organization vide its letter Ref.: CU 2000/279 dated 11 January 2001 regarding the appointment of the External Auditor of UNIDO with effect from 1 July 2002.

This proposal contains the curriculum vitae of Mr. V. K. Shunglu, Comptroller and Auditor General of India and profiles of the key persons on the audit team; details of national and international activities of our organization; description of the audit approach, procedures and standards that we will apply.

We affirm our commitment and complete assurance for providing high quality, cost effective professional external audit services, if appointed the External Auditor. Our services will cover not only certification of financial accounts but also performance and management audits, focusing on the economy, efficiency and effectiveness of operations. Our strong professional credentials and wide international experience and our association with the United Nations Board of Auditors as well as existing membership of the Panel of External Auditors of the United Nations and its Specialized Agencies, offer UNIDO significant benefits in terms of effective and efficient external oversight.

We would like to mention in conclusion that at its XVIth Congress, held at Montevideo in November 1998, INTOSAI conferred its highest award—the Jorg Kandutsch Award—to our organization in recognition of the professional expertise and contributions made by it.

This proposal is presented to the United Nations Industrial Development Organization for their favourable consideration.

Curriculum Vitae of Mr. V. K. Shunglu, Comptroller and Auditor General of India

Mr. V. K. Shunglu obtained his Bachelor's Degree in Arts from St. Stephens College, Delhi University in 1959 and went on to take a Master's Degree in History from the same University. He joined the Indian Administrative Service in 1962 and held various assignments under the Provincial Government including Principal Permanent Secretary in the Departments of Finance, Taxation, Planning. He was seconded to the Central (federal) Government and held senior positions in the Ministries of Textiles, Commerce, Finance and Cabinet Secretariat.

In the Central Government Mr. Shunglu was appointed as Permanent Special Secretary Power in 1993 and as Permanent Secretary, Health and Family

Welfare in 1994. Subsequently in 1995 he was appointed Permanent Secretary, Department of Industrial Policy and Promotion as well as the Department of Company Affairs. Mr. Shunglu has worked in the Asian Development Bank from 1985 to 1990 and was on sabbatical at the Economic Development Institute of the World Bank in 1976. He took over as the Comptroller and Auditor General of India on 15 March 1996.

In May 1996 he took over as Member of the United Nations Board of Auditors and the Panel of External Auditors of the United Nations and its Specialized Agencies from his predecessor who had held these posts since July 1993. He is also the External Auditor to the International Centre for Genetic Engineering and Biotechnology (ICGEB), Organization for Prohibition of Chemical Weapons (OPCW), World Tourism Organization (WTO) and International Maritime Organization (IMO).

Mr. Shunglu has played an active role in the international and regional associations of Supreme Audit Institutions. He is the Secretary-General of the Asian Organization of Supreme Audit Institutions (ASOSAI). He is a member of the Governing Boards of both the International Organization of Supreme Audit Institutions (INTOSAI) and of the Asia Organization of Supreme Audit Institutions (ASOSAI). He is the Chairman of the INTOSAI Standing Committee on EDP Audit. He was conferred the prestigious Jorg Kandutsch Award by INTOSAI during its XVIth Congress at Montevideo in November 1998.

B. Communication concerning the candidature of Mr. Abdessadeq El Mezouari el Glaoui, President of the Royal Court of Audit of Morocco

Permanent Mission of the Kingdom of Morocco to the International Organizations in Vienna

Ref. KA/65

The Permanent Mission of the Kingdom of Morocco to the International Organizations in Vienna presents its compliments to the United Nations Industrial Development Organization (UNIDO) and, further to its circular note CU 2000/279 of 11 January 2001, has the honour to inform UNIDO that the Kingdom of Morocco is submitting the candidature of Mr. Abdessadeq El Mezouari el Glaoui, President of the Royal Court of Audit for the position of External Auditor at UNIDO.

Given the importance that the Government of His Majesty the King attributes to the various activities of UNIDO, and bearing in mind the excellent qualifications of Mr. Abdessadeq El Mezouari el Glaoui as well as his vast experience (curriculum vitae attached), the Permanent Mission of the Kingdom of Morocco would be most grateful if the Organization would give its most serious consideration to this candidature.

The Permanent Mission of the Kingdom of Morocco takes this opportunity to renew to the United Nations Industrial Development Organization the assurances of its highest consideration.

Vienna, 26 February 2001

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UNIDO - VIC

CURRICULUM VITAE

Family name:	El Mezouari el Glaoui ben Hadj Thami el Mezouari el Glaoui
First name:	Abdessadeq
Date and place of birth:	24 December 1924 at Marrakesh Married to Georgina Fatima Zohra Audemar de Corbon Two sons: Thami Youres and Ismael El Amine
Education:	Primary school: Ecole du Pacha at Marrakesh Secondary school and university: Ecole des Roches, Verneuil s/Avre, EURE, France Bachelor of Law Doctorate in public law Doctorate in private law (University of Bordeaux, France)
Employment:	
5 Nov. 1994:	Judiciary Caliphate of the Pasha of Marrakesh (Civil Section, Vizierial Order of 5 November 1944)
10 May 1956:	President of the Regional Court of Marrakesh Dahir of H.M. King Mohamed V
18 Oct. 1956:	Royal Attorney before the High Sharifian Court Dahir of H.M. King Mohamed V
1 Nov. 1962:	Minister Plenipotentiary assigned as Minister-Counsellor to the Royal Moroccan Embassy in Washington (Decree of H.M. King Hassan II)
13 Aug. 1965:	Ambassador of H.M. the King of Morocco to the Scandinavian countries (Sweden, Norway and Denmark)
23 Nov. 1967:	Ambassador of H.M. the King of Morocco to the Federal Republic of Germany and Finland

3 Jan. 1970:	Ambassador of H.M. the King of Morocco to the French Republic
7 Feb. 1971:	Ambassador of H.M. the King of Morocco to the United States of America
10 June 1976:	President of the Royal Court of Audit
Decoration:	*Ordre du Trône officier* (1965) (Officer of the Order of the Throne)
Foreign Decoration:	
	France:
	Légion d'honneur (Legion of Honour) (Chevalier (Knight), 1952)
	National Order of Merit (Great Cross, 1971)
	Sweden:
	Order of the North Star (Great Cross, 1967)
	Federal Republic of Germany:
	National Order of Merit (Great Cross, 1970)
Sports:	First Vice-President of the Royal Moroccan Golf Federation
	Holder of the Sports Order of Merit, Highest Degree

C. Communication concerning the candidature of Mr. Guillermo N. Carague, Chairman of the Philippine Commission on Audit

No. VN-PH-69-2000

The Permanent Mission of the Philippines presents its compliments to the Director-General of the United Nations Industrial Development Organization and with reference to the latter's note No. CU 2000/279, dated 11 January 2001, has the honour to nominate Mr. Guillermo N. Carague, current Chairman of the Philippine Commission on Audit (COA), for appointment to the post of UNIDO External Auditor for a period of two years beginning 1 July 2002.

Mr. Carague has held distinguished positions in the Philippine Government prior to his appointment as Chairman of the Commission on Audit on 2 February 2001. He served as Secretary of the Department of Budget and Management from 1987 to 1992 during the administration of former President Corazon C. Aquino. Concurrent with his cabinet position, he was appointed Monetary Board Member of the Central Bank of the Philippines and also Board Member of the National Economic and Development Authority (NEDA), two vital agencies of the Philippine Government.

As a certified public accountant, lawyer and management practitioner, Mr. Carague also had a prominent career in the private sector and the academe, having been a partner of one of Asia's biggest and most reputable auditing firms, Sycip, Gorres, Velayo and Co., SGV, and special lecturer at the University of the Philippines Institute of Small Scale Industries.

He is a member of various professional and civic organizations in the Philippines and has received the Outstanding Certified Public Accountant Award from the Philippine Institute of CPAs in 1987.

Mr. Carague's detailed curriculum vitae is enclosed for reference and consideration.

The Permanent Mission of the Philippines avails itself of this opportunity to renew to the Director-General of the United Nations Industrial Development Organization the assurances of its highest consideration.

[*Initialled*]
[*Stamp of the Embassy of the Philippines, Vienna, Austria*]

Vienna, 22 February 2001

Guillermo N. Carague
Chairman, Philippine Commission on Audit
(2 February 2001-1 February 2008)

SCHOLASTIC RECORD

- Certified Public Accountant
- Lawyer
- Management Development Program—Asian Institute of Management
- Stanford Executive Program—Stanford University in California, USA
- Doctor of Technology (Honoris Causa)—Technological University of the Philippines
- Doctor of Philosophy in Institutional Development and Management (Honoris Causa) Isabela State University
- Doctor of Management (Honoris Causa)—Polytechnic University of the Philippines

PROFESSIONAL AND BUSINESS EXPERIENCE

GOVERNMENT SERVICE

- 1987-1999 Monetary Board Member, Bangko Sentral ng Pilipinas (Central Bank of the Philippines)
- 1987-1992 Secretary, Department of Budget and Management
- 1987-1992 Board Member, National Economic and Development Authority
- 1991-1992 Chairman;, Mount Pinatubo Rehabilitation Task Force
- Presidential Cabinet Officer for Regional Development (Region III)
- 1991-1992 Chairman of the Board, Technology and Livelihood Resource Center

- Chairman of the Following Boards, Councils and Inter-Agency Committees
  - Development Budget Coordinating Committee, NEDA
  - Open Market Committee, Central Bank of the Philippines, Procurement Policy Board
  - Government Productivity Improvement Council
  - Financial Management Information System
  - Committee for Local Government Units
  - Committee for State Universities and Colleges
  - Cabinet Action Committee on Decentralization

PRIVATE INSTITUTIONS

- 1979-1986 Partner, Sycip, Gorres, Velayo and Co., SGV
- 1971 & 1978 Special Lecturer, University of the Philippines Law Centre
- 1976 Special Lecturer, University of the Philippines Institute of Small Scale Industries
- 1963-1973 Faculty Member, University of the East

AWARDS

- Outstanding CPA in Government Service, Philippine Institute of CPAs (Nov. 1987)
- Outstanding CPA in Government Service, Government Association of CPAs (June 1987)

MEMBERSHIP IN PROFESSIONAL AND CIVIC ORGANIZATIONS

- Integrated Bar of the Philippines
- Philippine Institute of Certified Public Accountants
- Rotary Club of Makati East
- Financial Executive Institute of the Philippines
- Management Association of the Philippines

He has written on a wide variety of topics, such as government budgeting, poverty alleviation, economic planning and development, Pinatubo and Disaster Rehabilitation, oil price deregulation, education, housing programmes, traffic solutions, transportation and banking.

D. Communication concerning the candidature of Mr. Shauket Fakie, Auditor-General of the Republic of South Africa

South African Permanent Mission to the United Nations and International Organizations Vienna
Sandgasse 33, 1190 Vienna
Tel.: 320 64 93
Fax: 320 64 93 51
e-mail: saembvie@aon.at
Website: www.southafrican-embassy.at

Ref.: ML/1/UNIDO/3
NSS/ems

26 February 2001

The Permanent Mission of South Africa presents its compliments to the Secretariat of the United Nations Industrial Development Organization (UNIDO) and has the honour to inform that Mr. Shauket Fakie, Auditor-General of the Republic of South Africa has been nominated as candidate for the position of external auditor of UNIDO for a two-year term, commencing 1 July 2002. A curriculum vitae of Mr. Fakie is enclosed. It would be appreciated if Mr. Fakie's name could be included in the pre-session document to be issued for the seventeenth session of the Programme and Budget Committee.

The Permanent Mission of South Africa avails itself of this opportunity to renew to the Secretariat of the United Nations Industrial Development Organization the assurances of its highest consideration.

[*Initialled*]
[*Stamp of the South African Embassy, Vienna*]

The Secretariat
UNIDO
P.O. Box 300
1400 Vienna

CURRICULUM VITAE

Mr. Shauket Allie Fakie, Bcompt (Hons), CA (SA)
Auditor-General of the Republic of South Africa

Mr. Shauket Fakie holds the degrees *Baccalaureus Computations* and *Honours Baccalaureus Computationis*, which were awarded by the University of South Africa. He qualified professionally as a chartered accountant (South Africa) in 1986. When his career development was impeded during the apartheid years, he took up a position as a partner in a leading Australian auditing firm, after which he practised as an independent auditor, consultant, tax adviser and financial accountant in the private and public sectors. Mr. Fakie returned to South Africa in 1993 and rejoined Ernst and Young where he was responsible for

developing business plans and rendering management advisory and business process re-engineering services, as well as business improvement projects.

He is actively involved in the audit profession and has served on various committees of the South African Institute of Chartered Accountants, the Public Accountants' and Auditors' Board, as well as the Institute of Chartered Accountants in Australia. He is also a member of the Association for the Advancement of Black Accountants in Southern Africa.

Mr. Fakie joined the Office of the Auditor-General in November 1995, when he was appointed as provincial auditor of the Gauteng Province. He was appointed to the position of deputy auditor-general and chief executive officer of the office with effect from 1 March 1998. He was subsequently appointed as auditor-general in December 1999, a position he currently holds for a term of seven years.

Under his leadership, the office produces approximately 1,350 audit reports annually, in respect of audits at national, provincial and local government level, as well as various public entities. This is achieved through the support of a professional office that has a staff complement of 1,290 staff members and that is a recognized partner with the auditing profession in South Africa.

Mr. Fakie has been instrumental in the process of building the office's international profile. The office has been awarded the prestigious audits of the World Health Organization (WHO) and the International Organization of Supreme Audit Institutions (INTOSAI). In addition to these audits, Mr. Fakie is also a member of the Board of External Auditors of the United Nations (UN) where he is responsible for, inter alia, the audits of UN Peacekeeping Operations, UN Development Programme and UN Fund for Population Activities. He is also a member of the Board of External Auditors of the Organization of African Unity. The confidence with which these auditees viewed his contributions, was reconfirmed through his reappointment as the external auditor of both INTOSAI and WHO.

His reputation amongst his peers has been demonstrated by his election as the chairperson of the UN Panel of External Auditors, whose purpose it is to further the coordination of audits for which members are responsible and to exchange information on methods and findings.

After liaison with his peers, as well as careful consideration of resources and the contribution, which he can make to UN Industrial Development Organization, Mr. Fakie has decided to put forward his candidature for the position of external auditor.

E. Communication concerning the candidature of Ms. Inga-Britt Ahlenius, Auditor General of Sweden

Permanent Mission of Sweden
to the International Organizations
Vienna

The Permanent Mission of Sweden presents its compliments to the Director-General of the United Nations Industrial Development Organization, and with reference to his note of 11 January 2001, ref. CU 2000/279, has the honour to inform that the Government of Sweden has nominated Ms. Inga-Britt Ahlenius, Auditor General of Sweden, as its candidate for the post of External Auditor of the Untied Nations Industrial Development Organization for a period of two years beginning 1 July 2002. Enclosed is the CV of Ms. Inga-Britt Ahlenius.

The Permanent Mission of Sweden avails itself of this opportunity to renew to the United Nations Industrial Development Organization the assurances of its highest consideration.

Vienna, 23 February 2001

[*Initialled*]
[*Stamp of the Swedish Embassy in Vienna*]

To the
Director-General of the
United Nations Industrial Development Organization
Vienna International Centre
Vienna

The Swedish National Audit Office

Curriculum Vitae

Family name:	Ahlenius
First names:	Inga-Britt
Date of birth:	19 April 1939
Nationality:	Swedish

EDUCATIONAL BACKGROUND

Degree in Business Administration
Stockholm School of Economics, 1961
Humanities, languages

PROFESSIONAL RECORD

1993-present	Auditor General of Sweden
1995-present	Chairman of INTOSAI Auditing Standards Committee
1993-1996	Chairman of the Governing Board of the European Organization for Supreme Audit Institutions (EUROSAI)
1996-1999	Member of the Governing Board of EUROSAI

1999	One of five members in the Committee of Independent Experts appointed by the European Parliament to scrutinize the management of the European Union
1999-present	Visiting professor at the University of Uppsala, faculty of political science
1987-1993	Ministry of Finance, Head of the Budget Department
1980-1987	Ministry of Finance, Head of Ministerial Department
1975-1980	Ministry of Finance, Head of Section in the International Department and the Budget Department
1968-1975	Ministry of Commerce and Industry, issues concerning Nordic countries and Sweden's free trade agreement with the EEC
1962-1968	Economic secretariat of Svenska Handelsbanken, Sweden's largest commercial bank
1963-1964	Societé Tunisienne de Banque in Tunisia, Department for medium term credits

MEMBERSHIPS

Member of the Board of the Swedish Centre for Business and Policy Studies (SNS)
Member of the Royal Swedish Academy of Engineering Sciences (IVA)

F. Communication concerning the candidature of Mr. John Bourn, Comptroller and Auditor General of the United Kingdom of Great Britain and Northern Ireland

United Kingdom Mission, Vienna

23 February 2001

Dear Director-General,

APPOINTMENT OF EXTERNAL AUDITOR TO UNIDO

Further to your note of 11 January 2001 (reference CU 2000/279) on the subject of the appointment of External Auditor, I have great pleasure in forwarding a proposal from the Comptroller and Auditor General of the United Kingdom.

I enclose the original submission and three copies for your use.

[*Signed*] John Freeman
Ambassador & Permanent Representative

Mr. Carlos Magariños
Director-General
United Nations Industrial Development Organization
Room 2265
Vienna International Centre

Key Points of the UK Proposal:*

I am very pleased to provide information regarding my proposal to act as the External Auditor of the United Nations Industrial Development Organization (UNIDO).

This proposal responds to the request for proposal issued by UNIDO and includes some additional material to assist in the consideration of the proposal. If appointed, my Office will provide a fully professional and highly cost-effective external audit service to the Organization.

In summary:

- I and my Office are totally independent of the United Kingdom Government;
- Our financial audit methodology has been developed in line with the most modern best practice and will ensure that our work is founded on a thorough understanding of the Organization's main business systems and operations. Each stage of our audit adds value through practical and constructive advice on the management of risks, systems and controls;
- We are at the forefront of developments in the use of information technology in audits and employ the latest audit software in our audit work. We are also exploiting information technology to provide our staff with on-line access to our headquarters support systems and databases wherever they may be working in the world;
- We have a proven track record of experience of auditing United Nations and other international public sector organizations, including three terms as a member of the United Nations Board of Auditors. We have also worked with the World Bank as Chairman of a Multilateral Audit Advisory Group;
- We have established a wide range of contacts with Supreme Audit Institutions of developing nations through our international training programme and involvement in international bodies and conferences.
- My staff are highly qualified and experienced auditors who are fully trained to conduct audits in accordance with internationally recognized auditing, professional and ethical standards. Rigorous review and quality control procedures ensure delivery of a high quality, efficient and cost-effective audit;

*Further information available with the Secretariat upon request.

- We are committed to providing high quality long-form audit reports in conjunction with the audit opinion, as provided for under the Financial Regulations. In completing our work we draw on a wide range of specialist skills and experience;

- We propose to undertake the 2002-2003 biennial audit of UNIDO for a fee of Euro 260,000. This fee will be fixed, and will be changed only in exceptional circumstances or where significant extra work is requested. These circumstances and requests will be discussed and agreed with the Organization before undertaking any additional fee work.

- I would be available for appointment for any further periods specified by the Organization.

I commend this proposal to the United Nations Industrial Development Organization.

[Signed]

Sir John Bourn KCB
Comptroller and Auditor General
United Kingdom

The UK Comptroller and Auditor General's Credentials

CV of the United Kingdom Comptroller and Auditor General

The Comptroller and Auditor General, Sir John Bourn, was educated at the London School of Economics, where he obtained a first class honours degree in Economics and a PhD. He has worked in several government departments, including the Treasury, the Northern Ireland Office and at the Civil Service College. Before leaving the Civil Service to take up his appointment as Comptroller and Auditor General, he was the Deputy Under Secretary of State for Defence Procurement in the Ministry of Defence.

Sir John is an Honorary Fellow of the University of Brighton and Honorary Fellow of the London School of Economics. He is a visiting Professor at the London School of Economics and is a tutor and counsellor for the Open University. He is a Companion of the Institute of Management and a Fellow of the Chartered Institute of Purchasing and Supply.

He took up his present post as Comptroller and Auditor General, and head of the national Audit Office in 1988.